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MEMORANDUM FOR:

, OSR/

VIA

: Chief,
Chief,

, OER

, OSR

SUBJECT : Warsaw Pact Countries: Imports of Bauxite
and Alumina

Attached per your request is unclassified information
on imports of bauxite and alumina by the Warsaw Pact
countries in recent years. Hopefully, it will serve the
purposes of your contacts

If you have further questions, please call me on

Office of Economic Research

Attachment:
As stated

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Warsaw Pact Countries: Imports of Bauxite and Alumina

S.08952

23 May 1975

Analyst :
Branch :
Extension:

Warsaw Pact Countries: Imports
of Bauxite and Alumina

Background

During the past decade the Warsaw Pact countries increased production of aluminum at much the same rate as other world producers. Their share of world output remained about the same -- 18 to 19 percent -- in 1974 as in 1965. They have been obliged, however, to increase imports of bauxite from sources outside the Warsaw Pact area as their own share of world output of bauxite declined from 16 percent in 1965 to about 12 percent in 1974.

Only three of the Warsaw Pact countries -- the USSR, Hungary, and Romania -- have exploitable resources of bauxite. The USSR, which produced about 2 million tons of aluminum in 1974, is a major world producer of bauxite and has had some success in exploiting other aluminous ores, namely, nepheline syenites and alunites. In 1974 Soviet output of bauxite and these other ores amounted to about 6 million tons. On balance, however, the USSR has not been able to expand its raw material base rapidly enough to keep pace with the dynamic growth of its aluminum industry. Since 1969 imports have accounted for about 40 percent of Soviet requirements for aluminous raw materials.

Hungary, with an output of 2.75 million tons of bauxite in 1974, ranks seventh among world producers. Output is adequate to meet the requirements of Hungary's small aluminum industry and to permit a substantial level of exports, most of which go to other Warsaw Pact countries. In the past decade annual exports of bauxite by Hungary have remained relatively stable at some 600,000 to 700,000 tons, but steady progress has been made in expanding exports of alumina -- the processed or refined form of bauxite -- from 190,000 tons in 1965 to 633,000 tons in 1974. The USSR is the principal recipient of these exports. Under a long-term agreement Hungary is supplying the USSR with alumina in exchange for aluminum on a basis of two tons of alumina for one ton of aluminum. In 1973, Hungarian deliveries of alumina amounted to 345,000 tons, exceeding the level of 330,000 tons which originally was not to be attained until 1980.

Romania is a relatively minor producer of bauxite. Output is not adequate to meet the needs of Romania's aluminum industry which has increased output rapidly in recent years, reaching 187,000 tons in 1974. Romania now ranks second -- although a distant second -- to the USSR among Warsaw Pact producers of aluminum.

The other producers of aluminum among the Warsaw Pact countries -- East Germany, Czechoslovakia, and Poland -- depend on imports for all of their raw materials.

Imports of Bauxite and Alumina

During 1970-73 annual imports of bauxite by Warsaw Pact countries ranged between 2.4 and 2.9 million tons. Over the same period annual imports of alumina by these countries increased from 0.8 to 1.2 million tons. The USSR was the principal recipient, taking 59 percent of the imports of bauxite and 70 percent of the imports of alumina. The annual imports of bauxite and alumina of the individual Warsaw Pact countries during 1970-73 are shown in Table 1.

Hungary is the largest single supplier of bauxite and alumina and the only member of the Warsaw Pact able to help the others. Combined shipments from non-Warsaw Pact countries, however, considerably exceeded those from Hungary during 1970-73. They accounted for about 80 percent of the bauxite and nearly 60 percent of the alumina imported by the USSR, Poland, Czechoslovakia, East Germany, and Romania. Yugoslavia is the leading supplier of bauxite and the United States the leading supplier of alumina. Other suppliers of bauxite include Greece, Guinea, and Turkey. Additional suppliers of alumina include West Germany, France, Japan, Yugoslavia, Jamaica, Guyana, and Turkey. Tables 2-6 show the imports of bauxite and alumina of the individual Warsaw Pact countries, by country of origin during 1970-73.

Prospects

The USSR plans to increase imports of bauxite and alumina substantially in the next several years. Imports of bauxite

from Guinea are currently being stepped up sharply and are to reach an annual level of 2.5 million tons -- probably within a few years. Annual imports of bauxite from Yugoslavia are also scheduled to increase by about 500,000 tons over current levels. Arrangements have been made to import 500,000 tons of alumina from India over an unspecified period of time. Indian shipments started in 1974 but the target date for completion of deliveries is not known. Beginning in 1976 the USSR is scheduled to receive annual shipments of 600,000 tons of alumina from Yugoslavia over a ten-year period. The USSR also purchased about 25,000 tons of alumina from Australia in 1974 and is seeking additional amounts this year.

The requirements of the other Warsaw Pact countries for aluminous raw materials are not likely to increase very much in the remainder of the 1970s. Romania is the only country with a firm plan for expansion of its aluminum industry. By 1980 production of aluminum is to reach 250,000 tons or one-third more than output in 1974. Romania has taken steps to open up a new source of raw materials by extending credits to Guinea for development of its bauxite resources. Poland has talked for many years of a major expansion of its aluminum industry but at present gives no indication of undertaking more than small increases of production at existing plants. Poland has undertaken to improve its raw materials position,

however, by starting construction of a plant to produce 100,000 tons of alumina annually from domestic clays and other non-bauxite raw materials. Hungary plans to expand its capabilities for the manufacture of aluminum products but its metal requirements are to be met by the USSR under the terms of the agreement for exchange of alumina for aluminum. Czechoslovakia and East Germany are not known to have plans for any significant increase in production of aluminum.

Table 1

Imports of Bauxite and Alumina
of the Warsaw Pact Countries

1,000 metric tons

	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
<u>Bauxite</u>				
USSR	1,547	1,413	1,714	1,473
Czechoslovakia	403	373	445	449
East Germany	256	286	268	246
Poland	118	105	116	125
Romania	<u>600</u>	<u>174</u>	<u>200</u>	<u>137</u>
Total	2,924	2,351	2,743	2,430
<u>Alumina</u>				
USSR	518	755	698	902
Czechoslovakia	-	2	18	9
East Germany	63	63	97	83
Poland	213	225	231	243
Romania	<u>-</u>	<u>1</u>	<u>-</u>	<u>11</u>
Total	794	1,046	1,044	1,248

Table 2

USSR: Imports of Bauxite and Alumina
by Country of Origin

	1,000 metric tons			
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
<u>Bauxite</u>				
Greece	615	526	441	635
Guinea	119	211	328	-
Turkey	-	76	152	148
Yugoslavia	<u>814</u>	<u>600</u>	<u>793</u>	<u>690</u>
Total	1,548	1,413	1,714	1,473
<u>Alumina</u>				
Hungary	202	161	244	345
Turkey	-	-	-	62
Guyana	-	-	-	134
Jamaica	-	20	-	79
United States	291	447	243	206
Unidentified*	<u>25</u>	<u>127</u>	<u>211</u>	<u>76</u>
Total	518	755	698	902

* Japan reported that it had exported 109,000 tons of alumina to the USSR in 1971 and 50,000 tons in 1973. In 1972 Guyana was reported to have exported about 100,000 tons of alumina.

Table 3

Czechoslovakia: Imports of Bauxite
by Country of Origin

	1,000 metric tons			
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
Hungary	273	268	272	266
Yugoslavia	86	92	153	136
India	9	10	15	47
Unidentified	<u>35</u>	<u>3</u>	<u>5</u>	<u>-</u>
Total	403	373	445	449

Table 4

Romania: Imports of Bauxite and
Alumina from Yugoslavia*

	1,000 metric tons			
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
Bauxite	600	174	201	137
Alumina	-	1	-	11

* As reported by Yugoslavia, Romania does not report its imports of bauxite or alumina. Romania may also have imported some bauxite and/or alumina from Hungary but the amounts, in any case, were small. Nearly all of Hungary's exports of those commodities are accounted for by deliveries to other countries.

Table 5

East Germany: Imports of Bauxite and
Alumina by Country of Origin

	1,000 metric tons			
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
<u>Bauxite</u>				
Hungary	183	224	192	179
Yugoslavia	71	59	76	62
Unidentified	<u>2</u>	<u>3</u>	<u>--</u>	<u>5</u>
Total	256	286	268	246
<u>Alumina</u>				
West Germany	89	49	67	63
Hungary	14	*	*	*
Unidentified	<u>10</u>	<u>14</u>	<u>30</u>	<u>20</u>
Total	63	63	97	83

* Although not reported by either country, Hungarian deliveries are believed to have continued and probably accounted for most unidentified East German imports of alumina in 1971-73.

Table 6

Poland: Imports of Bauxite and Alumina
by Country of Origin

	1,000 metric tons			
	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
<u>Bauxite</u>				
Hungary	100	104	109	112
Guinea	18	--	--	--
Australia	--	--	--	13
West Germany	<u>--</u>	<u>1</u>	<u>7</u>	<u>--</u>
Total	118	105	116	125
<u>Alumina</u>				
Hungary	156	122	142	130
Yugoslavia	--	--	27	27
France	--	25	23	10
United States	--	51	37	72
Guinea	--	6	2	4
West Germany	5	--	--	--
Unidentified	<u>52</u>	<u>21</u>	<u>--</u>	<u>--</u>
Total	213	225	231	243